

2. TERMS OF AGREEMENT.

This Agreement shall commence on DECEMBER 21st, 1998, and continue for an initial term of TEN (10) YEARS thereafter. At the end of such initial term, this Agreement shall automatically renew for an additional FIVE (5) years term upon the same terms and conditions contained herein, unless either party shall give to the other written notice of its intent to terminate, which notice shall be given at least one hundred and twenty (120) days in advance of the end of the termination of such initial term.

3. PAYMENT.

BUYER shall pay SELLER the invoiced amount calculated in accordance with this Agreement within two (2) business days of receipt of said invoice by placing a check in the US mail, or will be picked up by seller upon delivery.

4. FEEDER PIG PRICE.

The Feeder Pig price per head for Qualified Feeder Pigs shall be:

CME lean hog futures at then close of the last day of business of the week prior to the delivery day for the (4) four-month price multiplied by one hundred eighty-five (185) pounds (carcass weight) multiplied by forty-six percent (46%). When four-month CME lean futures price is not available, the average of 3rd and 5th month will be used to establish the CME lean hog futures price. This price per head for qualified feeder pigs is subject to a minimum price of forty-seven dollars and fifty cents (\$47.50) per head and a maximum price of sixty-three dollars (\$63) per head. All feeder pigs will be priced on a 50 pound base weight. \$.35 per pound over 50 pounds to 60 pounds and \$.25 per pound for weight over 60 pounds. Pigs weighing under the 50 pound base weight will be a \$.35 per pound deduction.

5. WEIGHING CONDITIONS.

All lots of feeders Pigs picked up hereunder shall be weighed within 20 miles of Nursery. This weight will be the SALE WEIGHT.

6. DELIVERY.

It is agreed that delivery of any Feeder Pigs to BUYER hereunder shall occur, as such Feeder Pigs are loaded upon TRI COUNTY TRANSPORT's truck(s). BUYER shall be responsible for all the transportation charges, to be charged at the rate of \$2.35 per loaded mile not to exceed \$1.00 per head, with a minimum of \$300 per load, in relation to the Feeder Pigs purchases hereunder, except that SELLER shall: